

LOAN COMPARISON CHART

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MICHIGAN GUARANTY AGENCY

Michigan Higher Education Assistance Authority

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Customer Services - ext. 77009

Lender Services - ext. 36076

School Services - ext. 36074

The mission of the Michigan Guaranty Agency is to provide Michigan residents with optimum access to postsecondary educational opportunities through low-interest, long-term educational loans.

Type of Loan → Features ↓	Federal Stafford Subsidized	Federal Stafford Unsubsidized	Additional Federal Stafford Unsubsidized for Independent Students	Federal PLUS
Borrower	Dependent or Independent Student	Dependent or Independent Student	Independent Student	Parent or Legal Guardian
Loan Amount Based on	Cost of attendance - estimated financial aid - <u>expected family contribution</u> = Subsidized Loan Amount	Cost of attendance - estimated financial aid - <u>subsidized loan amount</u> = Unsubsidized Loan Amount	Cost of attendance - estimated financial aid - <u>subsidized/unsubsidized</u> = Additional Unsubsidized Loan Amount	Cost of attendance - estimated financial aid - <u>subsidized/unsubsidized</u> = PLUS Loan Amount
Annual Maximums	Year(s) 1 = \$2,625 2 = \$3,500 3 → 5 = \$5,500 Independent Professional/ Graduate = \$8,500 Loan limits may be subject to proration.	Year(s) 1 = \$2,625 2 = \$3,500 3 → 5 = \$5,500 Independent Professional/ Graduate = \$8,500 [Cannot exceed Stafford annual maximums (including subsidized).] Loan limits may be subject to proration.	Years 1 → 2 = \$4,000 3 → 5 = \$5,000 Independent Professional/ Graduate = \$10,000 [Cannot exceed additional Stafford annual maximum limits.] Loan limits may be subject to proration.	Cost of attendance - <u>Financial aid awarded</u> = Annual Borrowing Limit
Borrowing Minimums	\$100	\$100	\$100	\$100
Cumulative Maximums	Dependent Undergraduate \$23,000 Undergraduate/Graduate combined \$65,500	Dependent Undergraduate \$23,000 Undergraduate/Graduate combined \$65,500	Independent Undergraduate \$46,000 Undergraduate/Graduate combined \$138,500	Unlimited
Interest Rate	Variable Changing annually July 1.	Variable Changing annually July 1.	Variable Changing annually July 1.	Variable Changing annually July 1.
Interest Rate Calculations	July 1, 1998 and after 91-Day T-Bill + 1.7% during in-school 91-Day T-Bill + 2.3% during repayment Maximum 8.25%	July 1, 1998 and after 91-Day T-Bill + 1.7% during in-school 91-Day T-Bill + 2.3% during repayment Maximum 8.25%	July 1, 1998 and after 91-Day T-Bill + 1.7% during in-school 91-Day T-Bill + 2.3% during repayment Maximum 8.25%	July 1, 1998 and after 91-day T-Bill + 3.1% Maximum 9%

Continued →

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Who Pays Interest?	Government pays all interest during in-school, grace and authorized deferment periods.	Borrower pays all interest, but the interest may be capitalized and temporarily postponed during in-school and grace periods.	Borrower pays all interest, but the interest may be capitalized and temporarily postponed during in-school and grace periods.	Borrower pays all interest, but the interest may be capitalized and temporarily postponed if parent qualifies.
Credit Review	No default on previous student loans; lender may review.	No default on previous student loans; lender may review.	No default on previous student loans; lender may review.	No default on previous student loans; no adverse credit history; endorser at lender discretion.
Origination Fee	3%	3%	3%	3%
MGA Guarantee Fee	0%	0%	0%	0%
Number of Disbursements Required?	One* to Four *Based on school's eligibility.	One* to Four *Based on school's eligibility.	One* to Four *Based on school's eligibility.	One* to Four *Based on school's eligibility.
Lender Disburses Loan Checks or EFT to . . .	School	School	School	School
Copayable Checks Required?	May be copayable.	May be copayable.	May be copayable.	MUST be copayable.
Grace Period	Six (6) months.	Six (6) months.	Six (6) months; if Stafford outstanding, borrower pays interest.	None
Minimum Repayment Amount	\$50	\$50	\$50	\$50
Repayment Length	Ten years, standard/graduated/income-sensitive. 25 years, extended (based on eligibility).	Ten years, standard/graduated/income sensitive. 25 years, extended (based on eligibility).	Ten years, standard/graduated/income sensitive. 25 years, extended (based on eligibility).	Ten years.
Repayment Begins	Six (6) months after graduation, withdrawal, or enrolled less than half-time.	Six (6) months after graduation, withdrawal, or enrolled less than half-time.	Six (6) months after graduation, withdrawal, or enrolled less than half-time with an outstanding Stafford loan; otherwise begins within 30 to 60 days after final disbursement.	Within 60 days after final disbursement.
Deferments/Forbearances Allowed?	Yes; contact lender.	Yes, principal only; contact lender.	Yes, principal only; contact lender.	Yes, principal only, based on parental status; contact lender.
Forgiveness for Death or Total Permanent Disability?	Yes	Yes	Yes	Yes